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New York

SUMMARY RECORD OF THE 40th MEETING

Chairman: Mr. ZAHID (Morocco)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.15 p.m.

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Programme budget implications of draft resolution A/C.1/47/L.18 concerning agenda item 61 (1) (continued) (A/47/7/Add.11; A/C.5/47/50)

In the absence of Mr. Dinu (Romania), Mr. Zahid (Morocco), Vice-Chairman, took the Chair.

1. The CHAIRMAN drew attention to the statement submitted by the Secretary-General (A/C.5/47/50) on the programme budget implications of draft resolution A/C.1/47/L.18, relating to transparency in armaments. In that connection, he recalled that the representative of the Netherlands had expressed disagreement with the recommendations in paragraph 9 of the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (A/47/7/Add.11).

2. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the recommendations of the Advisory Committee in paragraph 9 of document A/47/7/Add.11 could have been the source of some misunderstanding. The Advisory Committee had not said that the Secretary-General should not implement the requirements arising out of draft resolution A/C.1/47/L.18, but rather that, if the Secretary-General had any problem with respect to the recommendations of the Advisory Committee, any additional requirements could be reported in the context of the performance report. That was a procedure that the Committee had adopted not only for small items but also for other items included in the report.

3. He pointed out that when the question of appropriations for the Register of Conventional Arms had last been before the Committee, the Secretary-General had indicated that he would absorb a total of $10,000 in temporary assistance for that activity.

4. With respect to the requirements for computer services, ACABQ was of the view that the hardware and software could be obtained. If there were any additional requirements, there was nothing preventing the Secretary-General from reporting back to the General Assembly in the context of the performance report.

5. Mr. SPAANS (Netherlands) said that it was not a matter of principle for his Government that the Chairman of ACABQ should be present when the Committee decided matters before it. He asked the members of the Secretariat through the Chairman whether the limited additional amounts in question could or could not be absorbed in the current budget appropriation for that section.

6. Ms. RODSMOEN (Norway), speaking on behalf of the five Nordic countries (Denmark, Finland, Iceland, Norway and Sweden), said that she would welcome a reply from the Secretariat regarding the question posed by the representative of the Netherlands. The Nordic countries were not convinced that the amount of $79,500 which had been requested by the Secretary-General could be absorbed from within the overall resources provided for disarmament activities under section 37 as suggested by ACABQ in its report. The Nordic countries had taken note of paragraph 9 of the ACABQ report which read: "additional requirements could be reported in the context of the performance report". Having heard the explanation of the Chairman of ACABQ on that subject, the Nordic countries, as sponsors of the consensus resolution on transparency in armaments (A/C.1/47/L.18), would have preferred a decision by the Fifth Committee to approve allocation of the proposed $79,500 to the operation and development of the Register on Conventional Arms.

7. She recalled that, in operative paragraph 7 of the draft resolution, the Secretary-General had been requested to ensure that sufficient resources should be made available to the Secretariat to operate and maintain the Register. For that reason, the Nordic countries fully supported the Secretary-General's proposal to use the contingency fund for that purpose. She recalled further that the Nordic countries had urged the Fifth Committee to follow its normal procedures by taking note of the required estimate of $79,500, on the understanding that any additional appropriations required by the Secretary-General would be submitted towards the end of the current session in the context of a consolidated statement on all programme budget implications.

8. Mr. KELLY (Ireland) said that Ireland attached considerable importance to the operation of the Register and had also taken note of the recommendation in the draft resolution to make available sufficient resources for operating and maintaining the Register. His Government therefore associated itself with the comments of the Norwegian representative.

9. Mr. NA CHAPASSAK (Australia) said that Australia associated itself with the positions of Norway and Ireland. In view of the fact that his Government had only recently received the ACABQ report, he would pursue the matter in informal consultation.

10. Mr. CARDOSO (Brazil) welcomed the proposal of Norway.

11. Mr. BAUDOT (Acting Controller) said, in response to the questions of Netherlands and Norway, that the Secretariat had always refrained - other than in very exceptional cases - from expressing a view on recommendations of the Advisory Committee, as that was not its role. In preparing estimates for programme budget implications, the Secretariat was extremely careful in proposing requests for additional resources both because the question of the use of the contingency fund was very important and because the overall provision of General Assembly resolution 41/213 (1987) requested the Secretariat to look at various possibilities for absorption. In the case of

(Mr. Baudot)

the programme budget implications of the proposal for the Register, the Secretariat had been very careful both in its estimates of requests and in proposing that posts should be found through redeployment.

12. In estimating budgets, the Secretariat had had to look carefully for resources already available so as to avoid requests for additional resources, and also to take into account the fact that activities of the Secretariat with regard to disarmament were still being restructured. With respect to the use of second performance reports as a vehicle for additional requests, he noted that it had been done before, and that it was part of the evolution towards the budgetary process provided for under resolution 41/213 (1987).

13. Mr. COHEN (United States of America) endorsed the draft resolution that had emerged from the First Committee, adding that, once it had been passed in the Fifth Committee, his Government would support it in the General Assembly. He requested the Acting Controller to address the question of the possible negative impact upon the delivery of the programmes mandated in draft resolution A/C.1/47/L.18.

14. Mr. MONTHE (Cameroon) supported the proposal of the Nordic countries and requested that the appropriation should be granted as requested.

15. Mr. ORR (Canada) said that his Government had grave reservations about dealing with post facto appropriations and asked whether the Secretariat could guarantee that the Register programme could be implemented within the current approved appropriation for the Department without recourse to additional appropriations.

16. Mr. BAUDOT (Acting Controller) said that he always hesitated to make guarantees with respect to budgeting questions. As the overall resource base of the Department which had been administering the Register was small, finding alternatives was not easy. In addition, there were many shortcomings in the procedures used by the Secretariat for requesting additional resources.

17. Mr. KINCHEN (United Kingdom) said that his Government welcomed the action of the First Committee in recommending adoption of the draft resolution. However, he was equally concerned about the financial arrangements of the Organization, and while he was by no means always content with the recommendations of the Advisory Committee, he believed that the best way to maintain confidence in the administrative and financial functioning of the Organization was to follow the recommendations of ACABQ as systematically as possible. He also welcomed the efforts of the Secretary-General in indicating that a significant proportion of the requirements mandated in the resolution were to be met through redeployment. Moreover, the additional requirements identified and calculated by the Secretariat were relatively modest.

18. Given the past experience of underfinancing of the Organization, his Government viewed it as a matter of concern that additional appropriations

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should be proposed which would not necessarily lead to full financing. In the case of additional appropriations for the Register, the recommendations of ACABQ seemed to his Government to be consistent with the approach adopted in the past with regard to small sums. His understanding of the impact of the recommendation of ACABQ was that the Secretariat would implement the Register, and in the event that the appropriation for the corresponding section should prove to be insufficient, there could be recourse to a request for an additional appropriation from the contingency fund in the context of the second performance report. He hoped, therefore, that the draft resolution could be forwarded for adoption, but also that the Committee could, in that case and in others, proceed in accordance with the recommendations of ACABQ.

19. Mr. BIDNYI (Russian Federation) endorsed the statement of the United Kingdom representative.

20. Mr. MERIFIELD (Canada) appreciated the comments made by the United Kingdom representative, but he did not have the feeling that the report of ACABQ was accurate. Moreover, his Government had had considerable difficulty with the current rules on redeployment of resources solely within sections. However, as those regulations were the operative ones under the current system, it was incumbent upon the Secretariat to find savings so that at the end of the year the actual expenditure would correspond to what had been in the original estimate. Until an improved budgeting procedure allowing for much wider redeployments could be devised, his Government would prefer to establish a revised estimate to reflect exactly the requirements of the programme described in the draft resolution. He suspected that the Secretariat was in fact intending to make up for any deficits in the programme by billing Member States at the end of the biennium and then adding that sum to the next assessment. Therefore, he requested the Secretariat to provide a clearer definition of the terms used in paragraph 9.

21. Another question of concern was whether it was correct within current budget procedures to arrive at a definite estimate of need in the context of the performance report. He wondered whether it would not be better for the Committee to face the larger question of reforming budget procedures. In addition, the fact that ACABQ had come up with the recommendation did not necessarily imply automatic approval by the Fifth Committee. For example, the General Assembly had already made a substantial and major revision to a recommendation of ACABQ concerning the granting of a commitment authority to the United Nations Operation in Somalia (UNOSOM).

22. In conclusion, he requested that, in the future, the ACABQ report should be delivered to the missions as expeditiously as possible, as representatives needed to consult with their capitols before deciding how they would vote on agenda items before the Fifth Committee.

23. Mr. SPAANS (Netherlands) said that his Government would maintain its proposal to adopt the draft resolution. While it was true that the Advisory Committee played an important role, it was not uncommon for the Fifth Committee to decide not to adopt the recommendations of ACABQ or to adopt them only in part. Until the General Assembly determined that ACABQ recommendations would be adopted automatically, the Netherlands would continue to believe that ACABQ, while an important advisory committee, was nevertheless not in a position to make its recommendations binding; therefore, the Netherlands endorsed the proposal of the Nordic countries as outlined by the representative of Norway.

24. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the position of the Advisory Committee on that item was the same as its position on documents A/C.5/47/64 and 65. Therefore, with reference to the statement of the representative of Canada, none of its statements had contravened current budget procedures. When the Advisory Committee made the recommendation that additional appropriations could be reported in the context of the performance report, it was possible that the Secretary-General could report that no additional appropriations were required over budget by transfers within the budget in the context of the performance report. The state of information processing left much to be desired, but was expected to improve with the implementation of the new information management system. The Advisory Committee did not presume to dictate to the Fifth Committee; its function was purely advisory.

25. Mr. MONTHE (Cameroon) suggested that the Advisory Committee recommendations in document A/47/7/Add.11 should be discussed in informal consultation.

Programme budget implications of draft resolution A/C.1/47/L.2 concerning agenda item 62 (b) (continued) (A/C.5/47/64)

26. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the same procedures had been followed as in the consideration of document A/C.5/47/50. He drew attention to paragraph 6, containing estimates for the payment of travel and subsistence for representatives of Governments attending the organizational meeting of the Standing Advisory Committee on security questions in Central Africa. Paragraph 12 contained estimates of the requirements to undertake the activities.

27. The Advisory Committee recommended that the programme of work should be carried out and that additional resources should be reported in the context of the programme report. However, he drew attention to document A/C 5/47/61, resulting from General Assembly decision 46/450 requiring the review of travel and related entitlements. That document had yet to be reviewed by the Fifth Committee.

(Mr. Mselle, ACABQ)

28. With reference to paragraph 14, the Committee might wish to defer its decision until the report of the Secretary-General had been considered. Paragraph 16 appeared to be inconsistent with paragraph 14 in that the Advisory Committee appeared to be categorical in ruling out exceptions. In fact, that decision should be left to the Fifth Committee. The Advisory Committee had indicated, however, that even if exceptions were granted, no additional resources should be granted at the current stage.

29. Mr. MONTHE (Cameroon), supported by Ms. SINGIRANKABO (Burundi), recommended that the Committee should proceed on the basis of the Secretary-General's recommendations.

30. Mr. KINCHEN (United Kingdom) said that his delegation was prepared to proceed on the recommendations of the Advisory Committee. Its recommendations were not always in line with the preferences of his delegation, but experience had shown that it was best to follow them in order to maintain confidence in the administrative and financial functioning of the Organization.

31. He drew attention to the Rules of Procedure of the General Assembly, annex VI, section H, paragraph 13, establishing a deadline of 1 December for the submission to the Fifth Committee of all draft resolutions with financial implications and encouraging the practice of accepting the recommendation of the Advisory Committee on expenditures involving small sums. Failure to observe those rules could delay the adoption of important resolutions. Finally, he wondered whether making an appropriation was a guarantee that an activity would be carried out.

32. Mr. MONTHE (Cameroon) recommended that informal consultations should be held on all aspects of document A/47/7/Add.11, although it was regrettable to delay the work of the Committee because of small sums.

33. Mr. LAADJOUZI (Algeria) said that the issue was not the small amounts of money required for those matters, but of coherence in approach and fairness in dealing with issues. His delegation supported the statements by the representatives of Cameroon and Burundi regarding draft resolution A/C.1/47/L.2. It agreed with ACABQ that a contradiction existed between paragraphs 14 and 16 of document A/C.5/47/64, which the Committee should correct. His delegation had followed the debate on the arms register and hoped that the Committee would adopt the same attitude. He agreed that it might be best to discuss the matter in informal consultation.

34. Mr. NA CHAPASSAK (Australia) thanked the Chairman of ACABQ for pointing out the contradiction between paragraphs 14 and 16. Owing to lack of time, the Committee was about to commit an injustice, even though the sums involved were small. He suggested that the Committee should wait for the report and ACABQ recommendations before considering that item.

35. Mr. BIDNYI (Russian Federation) said that his delegation favoured taking a decision based on ACABQ recommendations, on the basis of a consistent line of support to General Assembly subsidiary bodies dealing with administrative and budgetary questions. Although the Committee was dealing with insignificant amounts, it had taken decisions involving millions of dollars, sometimes without sufficient time and attention to their justification. His delegation was prepared to conduct informal consultations on that matter if necessary.

36. The CHAIRMAN said that, since the Committee had not reached consensus, that issue should be discussed in informal consultation.

Programme budget implications of draft resolution A/C.1/47/L.14 concerning agenda item 59 (A/C.5/47/65)

37. The CHAIRMAN suggested that, as the approach to item 59 was the same as the one just discussed by the Committee, it should be considered in informal consultations as well.

Programme budget implications of draft resolution A/SPC/47/L.10 concerning agenda item 76 (A/C.5/47/57)

38. The CHAIRMAN said that he had been informed that ACABQ had no objection to the proposal of the Secretary-General on item 76.

39. Based on the statement of programme budget implications submitted by the Secretary-General and on the recommendations of ACABQ, he proposed that, if the General Assembly adopted draft resolution A/SPC/47/L.10, no additional appropriation would be required under sections 31 and 33 of the programme budget for the biennium 1992-1993.

40. It was so decided.

41. The CHAIRMAN said that the Committee had thus concluded its consideration of that matter.

Programme budget implications of draft resolution A/SPC/47/L.7 concerning agenda item 75 (A/C.5/47/60)

42. The CHAIRMAN said that he had been informed that ACABQ had no objection to the Secretary-General's proposal on that matter.

43. Based on the statement of programme budget implications submitted by the Secretary-General and on the recommendations of ACABQ, he proposed that, if the General Assembly adopted draft resolution A/SPC/47/L.7, no additional appropriation would be required at the current stage under sections 2, 31 or 41 of the programme budget for the 1992-1993 biennium.

44. It was so decided.

45. The CHAIRMAN said that the Committee had thus concluded its consideration of that question.

AGENDA ITEM 103: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/47/16, Parts I and II, A/47/358)

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued) (A/C.5/46/56, A/C.5/47/3 and 4)

46. Mr. SPAANS (Chairman, Committee for Programme and Coordination) said that, at the second part of its session, the Committee for Programme and Coordination (CPC) had considered the budget outline proposed by the Secretary-General. The discussion of that matter could be found in document A/47/16, Part II, beginning with paragraph 203. The Committee usually examined the estimate of resources, priorities, growth and the Contingency Fund. At that session, it had considered an additional item, namely, staff assessment and capital expenditures.

47. With regard to the estimate of resources, CPC had recommended that the General Assembly should consider the preliminary estimate of resources by the Secretary-General as a basis for decision, taking into account a number of specific considerations as discussed in paragraph 220 of its report, dealing mainly with the possible effects of the restructuring of the Secretariat. With regard to priorities, the Committee had noted the proposals of the Secretary-General in paragraphs 10 to 12 of his report (A/47/358) and recommended that they should be considered further by the General Assembly in the light of paragraph 12 of General Assembly resolution 45/253, which included the overall priorities reflecting broad trends as derived from the mandates of the legislative organs, contained in the introduction to the medium-term plan, as well as the views expressed by Member States thereon and, in particular, in paragraph 5 of resolution 45/255. In paragraph 224, the Committee had noted that the rate of growth was calculated at 0.2 per cent. The Committee had offered conclusions and recommendations with regard to current methodology and the new methodology proposed by the Secretary-General at the invitation of the General Assembly. It had requested further clarification of the method of calculation of real growth, and had endorsed the size of the Contingency Fund. In paragraph 228, CPC had drawn some conclusions and made recommendations with regard to staff assessment and capital expenditure.

48. Mr. BAUDOT (Acting Controller) said that the report of the Secretary-General on the proposed programme budget outline for the biennium 1994-1995 contained in document A/47/358 dealt with one of the essential aspects of the new budgetary process established by General Assembly resolution 41/213. In that part of the process, the recommendations of CPC and ACABQ were of crucial importance to an orderly and informed decision-making process in the Fifth Committee.

(Mr. Baudot)

49. With regard to the recommendations of ACABQ, the recommended reduction of $22.3 million to be applied, if the Fifth Committee agreed, to the original estimate of resources for the biennium 1994-1995 was due to the recommendation that the budgeting upfront of $28 million for future preventive diplomacy and peacemaking activities should not be included in the outline. Therefore, the current procedure for unforeseen and extraordinary expenditures and costs would continue to be used. Another factor was the updating resulting from action taken by the General Assembly at its forty-seventh session. Fifth Committee decisions in terms of additional requirements for the bienniums had been anticipated in the preparation of the outline, and revisions based on actual decisions could currently be made.

50. He welcomed the recommendation of ACABQ that the methodology of the treatment of estimates for future expenditures such as those for preventive diplomacy and peacemaking should be reviewed.

51. The basic provisions of General Assembly resolution 41/213 were of crucial importance, as were efforts to adapt the methods of their implementation. The study requested by ACABQ on the treatment of estimates of that nature was very important.

52. The consequences for the budget outline of Committee decisions could be discussed in informal consultations. For instance, if the Committee postponed its decision on high-level posts and decided to leave in the budget the $4 million related to that item, that would bring about a corresponding increase in the base on which the outline was constructed. The Secretary-General had proposed an indicative estimate implying a 0.2 growth rate using the new methodology of calculation. Obviously, if the ACABQ recommendations were adopted, the rate of growth would be negative. However, technical issues should not be seen as having an effect on the capacity of the Secretariat to implement its mandate.

53. Ms. ERIKSSON FOGH (Sweden), speaking on behalf of the Nordic countries, said that the Nordic delegations endorsed the proposed programme budget outline for the biennium 1994-1995 (A/47/358), but would have appreciated more substantive background information on the proposed changes. The Nordic delegations could not have a firm position on the overall size of the budget or its real growth rate before being presented with the extrabugetary requirements that were necessary for implementing the mandates of the Organization.

54. In view of the financial constraints facing many countries, it was of the utmost importance that resources should be used as effectively as possible and redeployments made wherever possible. The Nordic delegations would be concerned, however, if restraint in the use of regular budget funds was more than offset by a corresponding growth in extrabudgetary resources. Current total extrabudgetary funds constituted a larger amount than the regular budget; a number of activities that were being financed by extrabudgetary resources should be financed from the regular budget.

(Ms. Eriksson Fogh, Sweden)

55. The issues that were highlighted in the outline were consistent with the priorities set out in the medium-term plan. The Nordic countries were pleased that, in the light of world developments, particular emphasis was given to certain areas within the overall framework of priorities defined in the medium-term plan. They welcomed the reference in chapter III to the Secretary-General's report "An Agenda for Peace", and also welcomed the integrated approach between the activities of the United Nations in the political field and those in the field of international cooperation for development. They supported the proposal to increase resources significantly for four areas (para. 12). In that context, they believed that the core activities of the Centre for Human Rights, the Department for Humanitarian Affairs and the Office of the United Nations High Commissioner for Refugees should to a larger extent be financed from the regular budget. Moreover, environment was one of the five priorities in the medium-term plan and, as a follow-up to the United Nations Conference on Environment and Development, sustainable development should be a key component in the area of international cooperation for development.

56. The Nordic delegations would welcome a continuous review of the level and functioning of the Contingency Fund. The current size of the Fund had met the needs of the Organization; however, its utilization from time to time gave rise to conflicting views in the Committee, where problems of interpretation were encountered.

57. Mr. SPAANS (Chairman of the Committee for Programme and Coordination) said that, at its thirty-first session, CPC had recommended a restructuring of the current United Nations budget to render it more transparent and to transform it into a policy document. At its thirty-second session, CPC had examined a prototype of the new budget submitted by the Secretary-General, and it recommended approval of that prototype by the General Assembly. He drew the Committee's attention to the recommendations of CPC in paragraphs 239 to 247 of document A/47/16, Part II, concerning the need for simplicity and readability of the new document, the need to improve the quality of the narrative and the need to rationalize the financial tables.

58. Mr. STITT (United Kingdom), speaking on behalf of the European Community and its member States, said that it appeared that a wide consensus already existed in favour of a new budget format along the lines which the Secretariat was suggesting. If implemented sensibly and operated, both by Governments and by the Secretariat, in a determination to achieve maximum simplicity, transparency and flexibility, the new proposals would mark a useful first step in improving the United Nations planning and budgeting cycle.

59. The programme budget, despite some weaknesses, was in fairly good shape. Much more drastic work needed to be done on the medium-term plan. The monitoring and evaluation phases were almost totally ineffective. Improving the programme budget format in itself was unlikely to produce marked results overall: efforts needed to be made to simplify the plan narrative, and the

(Mr. Stitt, United Kingdom)

process for its amendment, which should form the basis for future programme budgets. It would also be necessary to link monitoring and evaluation clearly to the major programmes of the plan in a way which would allow it, and subsequently the budget, to be revised substantively on a continuing basis. That should also apply to the elements which were funded by extrabudgetary resources.

60. In implementing the new format, the Secretariat must preserve the distinction between the plan and the budget; the text of the budget should not reproduce the plan narrative either in full or in summary, or reproduce a listing of legislative mandates; that would only divert the attention of Governments from the resource implications to the language in which the programme elements were expressed.

61. The European Community delegations welcomed the proposal to present, in Part I, a more comprehensive overview of the resource allocation proposals in the programme budget, and additional summary and analytical tables. The additional data on extrabudgetary resources and voluntary contributions would be useful in establishing an overall perspective of the resource allocation proposals. In order to be meaningful, however, greater accuracy in estimating extrabudgetary income was extremely important, so as to ensure transparency in the availability and use of those resources. No such resources could be accepted unless the Secretary-General was satisfied that the purpose for which they were intended was consistent with the policies, aims and activities of the United Nations and that the bulk of the money was allocated in accordance with the decisions of other intergovernmental bodies, notably the Governing Council of UNDP. Support cost charges on different types of extrabudgetary income should be levied on a consistent and pragmatic basis, without involving disproportionate administrative effort.

62. The new Part I of the budget document should enable Governments to consider in a more informed way the relative distribution of resources between major programmes and the broad priorities of the Organization. However, in current as well as in real terms, some material covering more than the current biennium might be useful, and also some charts, so that it would be possible to follow the changes in resource allocation over time. A clear presentation of assumptions on both exchange and inflation rates used in the budgeting process was indispensable. Part I should not be a long document; above all, while adding to transparency, the more comprehensive overview should not limit the flexibility which the Secretary-General needed to deploy those resources to the greatest effect.

63. A tendency to excessive verbosity was still displayed in the model text of the prototype in annex I; much of the content of that text would already be in the revised plan text, and much of the rest of the text of the budget sections was repetitive. A key or glossary such as the one in the ICSC report would be extremely useful.

(Mr. Stitt, United Kingdom)

64. The new format offered improvement, but the degree of improvement would depend on the rigour with which the text was edited, and the discipline with which Governments approached its discussion. It could lead to even greater efforts at inappropriate micromanagement.

65. The European Community delegations generally welcomed the Secretary-General's proposals for rationalization and simplification of the programme budget sections. Budget sections did not need to mirror programme divisions, but did need to correspond to them in a readily comprehensible way. There must also be a clear understanding about the allocation of managerial responsibility for programme delivery. Individual managers should know what they were required to deliver, in programme terms, and what resources they had at their disposal, and must be fully accountable for both.

66. With regard to the Secretary-General's proposals, in paragraph 16, to change some aspects of the methodology for calculating resource growth in the budget estimates, a clear explanation was needed as to why the change appeared to result in a 70 per cent reduction in the reported rate of real growth. Careful consideration would also need to be given to the budgetary implications of another proposed "technical" change, namely that provisions for new posts should be made on the basis of full costs (para. 16 (b)).

67. It was important for the credibility of the whole budgetary process that the treatment of inflation and other unavoidable cost changes should be fully transparent and fully justifiable, and that changes proposed for technical reasons did not lead to increased assessment for Member States. Currency fluctuations were a good example; it might be appropriate to consider splitting the assessment levied on Member States between the United States dollar and the Swiss franc as the other major currency of expenditure. The experience of other major organizations of the United Nations system could provide an appropriate model in that regard and offer an enhanced degree of security and predictablility both for the Organization and for Member States.

ORGANIZATION OF WORK

68. The CHAIRMAN suggested that the elections of members of the International Civil Service Commission (ICSC) should be held, as scheduled, on 11 December on the understanding that such action would not constitute a precedent for future occasions.

69. Mr. LAADJOUZI (Algeria), supported by Mr. GABRIEL (Philippines), endorsed the suggestion on that understanding.

70. Mr. KABIR (Bangladesh), also supporting the Chairman's suggestion, said that in consequence of the recent withdrawal of the Indian candidature, his delegation had put forward a candidature of its own.

71. Mr. SIKKANDER (Sri Lanka) stated that his delegation had already announced its candidature to the Asian Group and would be notifying the Secretariat shortly.

72. In response to a request by Mr. MERIFIELD (Canada), Ms. ROLLET (Department of Administration and Management) read out articles 3 and 4 of the ICSC statute setting out the rules governing nominations to that body, as well as of of General Assembly resolution 43/226, Part II, paragraph 3, concerning the deadline for the submission of candidatures.

73. The CHAIRMAN said that, owing to the unavoidably late submission of the candidature of Sri Lanka, documents relating to the elections would be available on 11 December in English only. He asked whether the Committee was still prepared to hold the elections on that date, as scheduled, on the understanding previously specified.

74. After further discussion, in which Mr. IRUMBA (Uganda), Mr. ONWUALIA (Nigeria), Mr. COHEN (United States of America), Mr. MERIFIELD (Canada), Mr. AL ARIMI (Oman) and Mr. MONTHE (Cameroon) took part, the CHAIRMAN explained that in the exceptional circumstances arising from India's withdrawal the procedures required under the ICSC statute could not be completed before the middle of the following week.

75. Mr. MERIFIELD (Canada) said that he could not agree to the course of action suggested by the Chairman unless the Secretary-General was in a position to assure the Committee that appropriate consultations with the executive heads of other organizations had been held in accordance with article 4 of the ICSC statute. Appointments to ICSC required the support not only of the Fifth Committee but also of the specialized agencies and other groups.

76. Mr. LAADJOUZI (Algeria) suggested that the elections might be held in two separate stages, the first on 11 December in respect of the candidatures already endorsed, and the second some days late in respect of the vacancy, created by the withdrawal of the Indian candidate, also previously endorsed.

77. After further discussion in which Mr. COHEN (United States of America), Mr. AL ARIMI (Oman), Mr. KABIR (Bangladesh), Mr. STITT (United Kingdom) and Mr. ELZIMAITY (Egypt) took part, the CHAIRMAN suggested that the question of the date of elections to ICSC should be referred to informal consultations.

78. It was so decided.

The meeting rose at 5.55 p.m.